

AMENDED IN ASSEMBLY APRIL 24, 2000

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

ASSEMBLY BILL

No. 2762

**Introduced by Committee on Utilities and Commerce
(Wright (Chair), Pescetti (Vice Chair), Calderon,
Campbell, Mazzoni, Vincent, and Wesson)**

February 25, 2000

An act to amend Section 422 of the Public Utilities Code, relating to public utilities.

LEGISLATIVE COUNSEL'S DIGEST

AB 2762, as amended, Committee on Utilities and Commerce. Common carriers: *passenger vehicle operators*: annual fee.

The Public Utilities Act requires the Public Utilities Commission to impose a fee on common carriers and related businesses to finance the regulation of those entities by the commission. The act requires the commission to allocate, within each class of carrier, *as defined*, and related business subject to the fee, among the members of the class, the amount of the commission's budget to be financed by the fee based on the ratio that each member's gross intrastate revenues bears to the total gross intrastate revenues of the class, except as specified. The act requires the commission to establish uniform fees for every carrier and related business having annual gross intrastate revenues of \$100,000 or less, for every railroad corporation having annual gross intrastate revenues of \$10,000,000 or less, and for commercial air

operators and for-hire vessel operators. *The act also authorizes the commission to establish a uniform annual fee to be paid by a charter-party carrier of passengers.*

This bill would ~~modify that provision to require~~ authorize the commission, ~~commencing July 1, 2002,~~ to establish a uniform fee for ~~each class of carrier and related business the passenger vehicle operators class,~~ based on the ~~actual costs incurred by the commission in conducting licensing, enforcement, and investigation activities with regard to each class, except as specified~~ a basis other than revenue, including, on a per vehicle basis, in an amount that would cover all costs associated with conducting, licensing, enforcement, and investigations activities with regard to that class of carriers.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 ~~SECTION 1. Section 422 of the Public Utilities Code~~
 2 *SECTION 1. Section 422 of the Public Utilities Code*
 3 *is amended to read:*
 4 422. The commission shall establish the fee pursuant
 5 to Section 421 with the approval of the Department of
 6 Finance and in accordance with all of the following:
 7 (a) In its annual budget request, the commission shall
 8 specify, at a minimum, both of the following:
 9 (1) The amount of its budget to be financed by the fee.
 10 (2) The dollar allocation of the amount of its budget to
 11 be financed by the fee by each class of carrier and related
 12 business subject to the fee. Each class of carrier and
 13 related business subject to this article shall pay fees
 14 sufficient to support the commission's regulatory
 15 activities for the class from which the fee is collected and
 16 to establish an appropriate reserve.
 17 (b) The commission may establish different and
 18 distinct methods of assessing fees for each class of carrier
 19 and related business, if the revenues collected are
 20 consistent with paragraph (2) of subdivision (a).
 21 (c) *(1)* Within each class of carrier and related
 22 business subject to the fee, the commission shall allocate,

1 among the members of the class, the amount of the
2 commission's budget to be financed by the fee based on
3 the ratio that each member's gross intrastate revenues
4 bears to the total gross intrastate revenues of the class,
5 except for railroad corporations, whose fees shall be
6 allocated within that class in accordance with subdivision
7 (g).

8 *(2) However, in the case of passenger vehicle*
9 *operators, the commission may assess fees on a basis other*
10 *than revenue, including on a per vehicle basis in an*
11 *amount that would cover all costs associated with*
12 *conducting licensing, enforcement, and investigation*
13 *activities with regard to that class of carrier.*

14 (d) Any carrier or related business which is a member
15 of more than one class of carrier or related business shall
16 be subject to the fee for each class of which it is a member.

17 (e) For every carrier and related business having
18 annual gross intrastate revenues of one hundred
19 thousand dollars (\$100,000) or less, or for every railroad
20 corporation having annual gross intrastate revenues of
21 ten million dollars (\$10,000,000) or less, the commission
22 shall annually establish uniform fees, which shall be not
23 less than a minimum annual fee, to be paid by each carrier
24 and related business and by each railroad corporation, if
25 the revenues collected are consistent with paragraph (2)
26 of subdivision (a). Every carrier and related business and
27 railroad corporation paying fees pursuant to this
28 subdivision shall show proof of eligibility at the time of
29 payment in a form the commission may specify.

30 (f) The commission shall annually establish a uniform
31 fee, which shall be not less than a minimum annual fee,
32 to be paid by every commercial air operator and for-hire
33 vessel operator, if the revenues collected are consistent
34 with paragraph (2) of subdivision (a).

35 (g) The commission shall establish the initial fee
36 amount to be paid by railroad corporations subject to this
37 section, and the regulations for the assessment and
38 collection of the fee, no later than January 31, 1992. The
39 commission shall collect the initial fee from railroad
40 corporations beginning on February 1, 1992, and shall

1 disburse the amounts collected as directed in Section
2 309.7, as added by Assembly Bill 684 of the 1991-92
3 Regular Session, and Section 421.

4 (h) The commission shall establish regulations for
5 allocating the proportionate share of the fee established
6 pursuant to paragraph (2) of subdivision (a) to be paid by
7 the rail corporations within that class. The regulations
8 may utilize gross intrastate revenues; track mileage
9 within the state; terminals located within the state;
10 loaded car miles traveled within the state; fuel
11 consumption; or any other measure deemed by the
12 commission to be appropriate in allocating the fee among
13 railroad corporations. On or before January 15, 1992,
14 railroad corporations as a group may submit a proposed
15 plan of allocation to the commission, which the
16 commission shall consider in establishing the regulations.

17 ~~is amended to read:~~

18 ~~422. The commission shall establish the fee pursuant~~
19 ~~to Section 421 with the approval of the Department of~~
20 ~~Finance and in accordance with all of the following:~~

21 ~~(a) In its annual budget request, the commission shall~~
22 ~~specify, at a minimum, both of the following:~~

23 ~~(1) The amount of its budget to be financed by the fee.~~

24 ~~(2) The dollar allocation of the amount of its budget to~~
25 ~~be financed by the fee by each class of carrier and related~~
26 ~~business subject to the fee. Each class of carrier and~~
27 ~~related business subject to this article shall pay fees~~
28 ~~sufficient to support the commission's regulatory~~
29 ~~activities for the class from which the fee is collected and~~
30 ~~to establish an appropriate reserve.~~

31 ~~(b) The commission may establish different and~~
32 ~~distinct methods of assessing fees for each class of carrier~~
33 ~~and related business, if the revenues collected are~~
34 ~~consistent with paragraph (2) of subdivision (a).~~

35 ~~(c) Commencing July 1, 2002, for each class of carrier~~
36 ~~and related business subject to the fee, the commission~~
37 ~~shall establish a uniform fee, to total the amount of the~~
38 ~~commission's budget to be financed by the fee based on~~
39 ~~the actual costs incurred by the commission in~~
40 ~~conducting licensing, enforcement, and investigation~~

1 activities with regard to the class, except for railroad
2 corporations, whose fees shall be allocated within that
3 class in accordance with subdivision (g):

4 (d) Any carrier or related business which is a member
5 of more than one class of carrier or related business shall
6 be subject to the fee for each class of which it is a member.

7 (e) The commission shall establish the initial fee
8 amount to be paid by railroad corporations subject to this
9 section, and the regulations for the assessment and
10 collection of the fee, no later than January 31, 1992. The
11 commission shall collect the initial fee from railroad
12 corporations beginning on February 1, 1992, and shall
13 disburse the amounts collected as directed in Section
14 309.7, as added by Assembly Bill 684 of the 1991-92
15 Regular Session, and Section 421.

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17 allocating the proportionate share of the fee established
18 pursuant to paragraph (2) of subdivision (a) to be paid by
19 the rail corporations within that class. The regulations
20 may utilize gross intrastate revenues; track mileage
21 within the state; terminals located within the state;
22 loaded car miles traveled within the state; fuel
23 consumption; or any other measure deemed by the
24 commission to be appropriate in allocating the fee among
25 railroad corporations. On or before January 15, 1992,
26 railroad corporations as a group may submit a proposed
27 plan of allocation to the commission, which the
28 commission shall consider in establishing the regulations.
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